

| | | (A) | | (B) | | (C) | | (D) | | (E) | | (F) | | (G) | | (H) | | (I) | | (J) | | (K) | | (L) | | (M) | | (N) | |
|--|---------------------------------------|-----------|-----------|------------|----------|--------------|----------|----------|----------|-----------|----------|----------|----------|----------|----------|-------------|---------|---------|---------|---------|---------|-----------|-----------|---------|-----------|-------------|-----------|-----------|-----------|
| | | 1 | 9 | 9 | 9 | 2 | 0 | 0 | 2 | Installed | 2002 | 2001 | Proj | Proj | Proj | Proj | Proj | Proj | Other | Total | | | | | | | | | |
| | | Stock | Market | Stock | Market | Lines (000s) | Rev | Earnings | Est | 2002 | 2002 | 2001 | 2002 | 2002 | 2001 | 2001 | 2001 | Cash | Avail | Avail | Debt | Cap Avail | Cap Avail | Debt | Cap Avail | Cap Avail | Cap Avail | Cap Avail | Cap Avail |
| Currently Solvent | Symbol | Nov-99 | \$mil | Mar-02 | \$mil | 10/01 | (\$Mil) | (\$Mil) | (\$Mil) | EBITDA | Capex | Service | Burn | (\$Mil) | (\$Mil) | (\$Mil) | (\$Mil) | (\$Mil) | (\$Mil) | (\$Mil) | (\$Mil) | (\$Mil) | (\$Mil) | (\$Mil) | (\$Mil) | (\$Mil) | (\$Mil) | (\$Mil) | (\$Mil) |
| CLEC/DLEC | | | | | | | | | | | | | | | | (F)+(G)+(H) | | | | (J)+(K) | | | | | | (L)/(M)+(N) | | | |
| Z-Tel | ztel | \$35.00 | \$1,155 | \$2.40 | \$82 | 360 | \$240 | -146 | \$-10 | -\$12 | -\$2 | -\$24 | \$20 | na | \$20 | \$16 | 10.0 | | | | | | | | | | | | |
| Choice One* ipo 3/00 | cwon | \$30.00 | \$1,130 | \$1.70 | \$69 | 211 | \$345 | -100 | \$10 | -\$50 | -\$40 | -\$80 | \$70 | \$55 | \$125 | \$475 | 18.7 | | | | | | | | | | | | |
| USLEC | clec | \$27.50 | \$770 | \$3.40 | \$89 | na | \$50 | -\$77 | -\$15 | -\$45 | -\$14 | -\$74 | \$70 | \$0 | \$70 | \$150 | 11.4 | | | | | | | | | | | | |
| CTC Com | cptl | \$10.00 | \$268 | \$2.50 | \$68 | 589 | \$367 | -125 | \$28 | -\$60 | -\$26 | -\$58 | \$73 | \$40 | \$113 | \$288 | 23.5 | | | | | | | | | | | | |
| ITC | itcd | \$25.00 | \$1,550 | \$0.37 | \$23 | 283 | \$470 | -212 | \$50 | -\$125 | -\$72 | -\$147 | \$41 | \$80 | \$121 | \$780 | 9.9 | | | | | | | | | | | | |
| RCN Corp | rcnc | \$50.00 | \$4,925 | \$1.50 | \$146 | 541 | na | -\$175 | -\$850 | -\$190 | -\$1,015 | \$839 | \$250 | \$1,089 | \$1,900 | 12.9 | | | | | | | | | | | | | |
| Allegiance | algx | \$50.00 | \$5,672 | \$3.50 | \$407 | 734 | \$775 | -432 | -\$29 | -\$300 | -\$118 | -\$447 | \$538 | \$150 | \$688 | \$983 | 18.5 | | | | | | | | | | | | |
| Time Warner Telco | twtc | \$29.00 | \$3,335 | \$7.60 | \$868 | na | \$900 | -\$81 | \$200 | -\$400 | -\$106 | -\$306 | \$364 | \$750 | \$1,134 | \$1,064 | 44.4 | | | | | | | | | | | | |
| Covad | cvad | \$35.00 | \$4,935 | \$1.76 | \$315 | 300 | na | -\$600 | na | na | na | na | na | na | na | na | na | | | | | | | | | | | | |
| Pac-West | pacw | \$20.00 | \$720 | \$0.49 | \$18 | 229 | \$175 | na | \$27 | -\$40 | -\$22 | -\$35 | \$78 | \$40 | \$118 | \$180 | 40.3 | | | | | | | | | | | | |
| Total | | \$24,460 | | \$2,085 | | 3,267 | \$3,322 | | \$86 | -\$1,682 | -\$590 | -\$2,186 | \$2,113 | \$1,365 | \$3,478 | \$5,814 | 19.1 | | | | | | | | | | | | |
| Value Destroyed (\$ Millions) | | | | -\$22,375 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Next Generation Carriers and Traditional Long Distance | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Qwest | q | \$35.00 | \$58,217 | \$16.07 | \$26,730 | na | \$19,000 | -3,500 | \$7,100 | -\$8,000 | -\$1,920 | -\$2,820 | \$400 | \$4,000 | \$4,400 | \$24,000 | 18.7 | | | | | | | | | | | | |
| Worldcom | wcom | \$60.00 | \$177,393 | \$13.12 | \$38,790 | na | \$35,000 | 2,100 | \$8,211 | -\$7,500 | -\$1,837 | -\$1,126 | \$1,500 | \$8,000 | \$9,500 | \$26,237 | 101.3 | | | | | | | | | | | | |
| Level 3 | lvl | \$75.00 | \$30,672 | \$3.46 | \$1,415 | na | \$1,391 | na | \$50 | -\$1,250 | -\$518 | -\$1,718 | \$1,500 | \$850 | \$2,150 | \$5,750 | 15.0 | | | | | | | | | | | | |
| American Telephone & Telegraph | t | \$34.00 | \$120,199 | \$15.40 | \$54,443 | na | \$55,000 | -4,000 | \$15,250 | -\$8,600 | -\$3,900 | \$2,750 | \$11,000 | \$14,700 | \$25,700 | \$52,000 | nm | | | | | | | | | | | | |
| Alltel | at | \$48.00 | \$14,890 | \$57.25 | \$17,760 | na | \$8,000 | 890 | \$3,300 | -\$1,250 | -\$351 | \$1,699 | \$85 | \$800 | \$885 | \$3,900 | nm | | | | | | | | | | | | |
| Total | | \$401,372 | | \$139,138 | | \$118,391 | | \$33,911 | | -\$26,600 | -\$8,525 | -\$1,214 | \$14,485 | \$28,150 | \$42,635 | \$111,887 | 421.4 | | | | | | | | | | | | |
| Value Destroyed (\$ Millions) | | | | -\$262,234 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bankrupt/Take Under/ ON THE BRINK | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CH11 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net2000 | filed Ch 11 11/01 | \$30.00 | \$1,200 | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Teligent | filed Ch 11 5/01 | \$56.50 | \$3,108 | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| GSTX | Assets acquired by TWTC 1/01 | \$10.00 | \$375 | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Nettel | na | na | na | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| ICG Com | Filed ch 11 11/00 | \$19.00 | \$874 | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Northpoint | Filed ch 11 1/01 T acquired assets | \$28.00 | \$3,528 | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Prism | filed Ch 11 | na | na | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Rhythms | filed Ch 11 8/01 WCOM acq assets | \$35.00 | \$2,800 | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Winstar | filed Ch 11 4/01 IDT acq assets | \$33.00 | \$2,772 | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| E.spire | filed Ch 11 3/01 | \$7.40 | \$377 | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Advanced Radio | filed Ch 11 | na | na | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Viatel | filed Ch 11 05/01 | na | na | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Global Crossing | filed Ch 11 01/28/02 | \$40.00 | \$35,400 | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| McLeod USA | filed Ch 11 01/31/02 | \$15.00 | \$9,375 | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Network Plus | filed Ch 11 02/05/02 | \$18.00 | \$1,260 | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| On the Brink | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Adelphia Bus Sol | abiz | \$30.00 | \$4,032 | \$0.08 | \$11 | na | \$110 | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| ELEC Com | Selling select assets | \$1.80 | \$30 | \$0.11 | \$2 | 15 | \$8 | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Williams Com | 2/25 considering ch 11 | na | na | \$0.13 | \$64 | na | na | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| XO Com | Announced -seeking bh approv for ch11 | \$30.00 | \$12,900 | \$0.07 | \$31 | na | na | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Mpower Com | Announced -seeking bh approv for ch11 | \$20.00 | \$1,200 | \$0.05 | \$3 | 325 | na | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Electric Lightwave | delisting imminent | \$15.00 | \$765 | \$0.42 | \$22 | 195 | \$200 | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Focal Com | Reverse split | \$20.00 | \$1,250 | \$4.50 | \$21 | 501 | \$350 | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Metro Media Fiber | 3/18 - considering filing ch 11 | \$20.00 | \$12,142 | \$0.09 | \$70 | na | \$511 | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Cypress Com | cyco - 10:1 reverse stock split | na | na | \$3.46 | \$17 | na | \$5 | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Take Under | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Allied Riser | ARCC - merging with Cogent | \$20.00 | \$1,120 | na | na | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| CapRock | Acquired by McLeodUSA | \$15.00 | \$495 | na | na | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Intermedia | Acquired by WCOM | \$20.00 | \$1,036 | na | na | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Total (Bankrupt \$ Millions) | | \$96,039 | | \$241 | | 1,036 | \$1,184 | | | | | | | | | | | | | | | | | | | | | | |
| Value Destroyed (\$ Millions) | | | | -\$95,798 | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL VALUE (\$ Millions) | | \$621,871 | | \$141,464 | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL LOST VALUE (\$ Millions) | | | | -\$380,407 | | | | | | | | | | | | | | | | | | | | | | | | | |

Footnotes:

- (A) Source: Bloomberg
- (B) Source: Bloomberg
- (C) SEC Filings & Baird & Co, October 2001. Integrated Communication Service Providers "Convergence, Highlights of the Converging Communications Sector"
- (D) - (G) SEC Filings, press releases, & various Wall Street Analyst reports.
- (H) In House estimate based on 2nd quarter 2001 corporate 10q's blended debt rate on debt principal
- (I) Projected Burn Rate: Sum of (EBITDA + Interest Expense + Cap Exp): (F)+(G)+(H)
- (J) SEC Filings, press releases, & various Wall Street Analyst reports.
- (K) SEC Filings, press releases, & various Wall Street Analyst reports.
- (L) Total Available Capital = Cash on hand + Credit facilities: (J) + (K)
- (M) Company 3rd quarter 2001 10q.
- (N) Capital Availability is defined as Total capital available divided by projected annual burn rate. This is multiplied by 12 to estimate number of months of available capital. This analysis assumes no operational improvements or changes for 2002. Hence some of these estimates may deviate from what Wall Street analysts project. This assumes no principal debt or debt interest payment restructuring, nor any increase in credit lines, improvement to operational cash flow, nor any asset sales.

FCC Complaints Concerning RBOC Merger Violations

| RBOC | MERGER AUDIT | COMPLAINANT | DATE | ISSUE(S) | STATUS |
|---------|---|-------------|----------------------------------|--|--------|
| Verizon | N/A | Covad | March 5, 2001 | Verizon's unilateral elimination of an FCC-mandated discount for loops used to provide advanced services. | Open |
| Verizon | Collocation, Unbundled Network Element and Line-Sharing Audits (filed January 29, 2001) | WorldCom | March 20, 2001 | <ol style="list-style-type: none"> 1. Verizon failed to comply with several of the FCC's collocation requirements and discriminated to the advantage of its advanced services affiliate (i.e., Verizon did not charge the affiliate collocation fees or bill the affiliate for collocation space) 2. Verizon did not correctly bill wholesale customers for network facilities. 3. Verizon did not demonstrate to the relevant state commissions that it was necessary for Verizon to reserve dark fiber in its network. 4. Verizon provided its own employees with detailed loop information on an electronic basis, whereas Verizon only provided non-affiliated carriers with this information on a manual basis. | Open |
| Verizon | Genuity Audit (June 1, 2001) | AT&T | June 28, 2001 and August 8, 2001 | <ol style="list-style-type: none"> 1. Verizon is Genuity's sole supplier of debt capital, in violation of merger conditions that limit Verizon's holdings to no more than 25 percent of the total outstanding debt of Genuity. 2. Verizon is providing Genuity with preferential treatment due to its failure to (a) charge Genuity commercially reasonable rates; and (b) bill and collect outstanding debts from Genuity. | Open |

| | | | | | |
|---------|---|----------|----------------|---|------|
| | | | | <p>3. Verizon withheld information from the auditor.</p> <p>4. Verizon's management did not provide an assertion regarding Verizon's discrimination in favor of Genuity in the provision of high-speed access and regular special access services because Verizon unilaterally decided that this was not required.</p> | |
| Verizon | Genuity Audit (filed June 1, 2001) | WorldCom | June 26, 2001 | Same as issues 2-4 above. | Open |
| Verizon | Advanced Services Affiliate & General Merger Conditions Audits (filed June 18, 2001 and June 1, 2001, respectively) | CompTel | August 6, 2001 | <p>1. Verizon provided its advanced services affiliate with free line-sharing for the period July 2000-April 2001.</p> <p>2. Verizon provided its advanced services affiliate with access to operations support systems that were not available to other carriers.</p> <p>3. Verizon misreported or failed to report carrier-to-carrier performance data.</p> <p>4. Verizon failed to provide other carriers accurate and timely wholesale discounts mandated by the merger conditions.</p> | Open |
| Qwest | Qwest-US WEST Merger Audit (April 16, 2001) | AT&T | May 1, 2001 | Qwest provided in-region, interLATA private line services to 266 customers, which violates both the US WEST-Qwest merger conditions and section 271 of TA-96. | Open |
| Qwest | Qwest-US WEST Merger Audit (April 16, 2001) | WorldCom | May 14, 2001 | Same as above | Open |
| Qwest | Qwest-US WEST Merger Audit (April 16, 2001) | CompTel | May 16, 2001 | Same as above | |



C



October 3, 2001

The Honorable George W. Bush
President of the United States
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mr. President:

As our country continues to recover from the horrible events of September 11, the competitive telecommunications industry joins with the rest of America and the civilized world in mourning our losses and in resolving to continue on. Many of us have family members, friends and colleagues who lost their lives or whose lives have been disrupted by the terrorists' attacks.

We understand that you have requested to be kept apprised of the telecommunications industry's efforts to help restore our nation to normalcy in the wake of the attacks. I would like to share with you the following experience from CompTel member Forval International Telecom. Forval runs a global telecommunications network in Northern New Jersey, and had a clear view of the twin towers of the World Trade Center. In the words of Forval's President and CEO, Dean Carey:

Forval's business is running a global telecommunications network, and we process approximately one million minutes of international calls per day. The first hour after the planes struck the WTC buildings, our call attempts more than tripled, by more than 120,000 attempts per hour. Numerous international routes went down or deteriorated, and our call completion ratio plummeted. Although our employees were demoralized at the loss of life that was taking place, and they emotionally would have preferred to go home, they realized that the best thing they could do to help people around the world was for everyone in our company to jump in and help our Operations Department to find working routes for as many telephone calls as possible. We opened up routes to any carrier we could find that worked, even routing telephone calls over carriers where we were losing money on the calls, just to get the calls

through. Within two hours, we had increased our completion ratio by 300 percent, even though it was still well below our normal completion ratio due to the huge increase in the number of call attempts. Over the next 24 hours, we estimate that we were able to process approximately a half a million more telephone calls than would have been processed if we had allowed ourselves to be upset and go home. When you calculate that there were two persons on each and every phone call, I firmly believe that our employees were able to incrementally help more than one million people around the world to get in touch with loved ones who would otherwise not have known the status or fate of people at the distant end. We consider ourselves fortunate that we were in a position, and in an industry, where we could make a difference during a disaster like this. I think everyone in the telecom industry needs to remember that when emergencies and disasters strike, they CAN make a difference.

Forval's actions in the wake of the attacks are illustrative of the competitive telecommunications industry's efforts as a whole. It is heartening to know that in this time of trial, members of the U.S. competitive telecom industry have joined with so many others, including incumbent telecommunications companies such as Verizon (whose facilities were particularly impaired by the disaster), to rise to the occasion, both as individuals and collectively. By working together and sharing the redundant facilities that were constructed as a result of the pro-competition tenets of the Telecommunications Act of 1996, competitive carriers and incumbents alike restored the communications network of lower Manhattan and Arlington more quickly and efficiently than would have been possible if telecommunications competition had not been allowed to take root. I thought that you would be heartened by the following additional examples of compassion, generosity and heroism by the CompTel family:

Summary of CompTel Member Actions

Abiliti Solutions

- Employee matching donations to Newsday Disaster Relief Fund

American Fiber Systems

- Donation of \$10,000 to the American Red Cross

ARBROS Communications

- Offering capacity on its switch in lower Manhattan to other carriers and customers for emergency routing of service
- Established donation campaign for the American Red Cross

AT&T/ AT&T Wireless

- Added hundreds of voice lines to American Airlines' command center to facilitate communication between the center and families of the victims of the of flights
- Distributed pre-paid calling cards to families of passengers and crew of downed flights
- Handled 431 million calls on long distance network through controlling the flow of calls so local switches wouldn't be overwhelmed and calls could be completed
- Providing high-speed communications to the naval hospital ship, the USNS Comfort, docked in New York harbor
- Donation of over 2000 wireless phones to relief workers and government agencies by AT&T Wireless
- Donation of \$10 M worth in prepaid long distance calling cards to relief workers
- Employee matching donations by AT&T Foundation
- Donation of \$1 M to the American Red Cross

Aquila

- Matching employee donations of \$41,000
- Donation of \$500,000 to the American Red Cross

Bell South

- Offering resources to Verizon, AT&T and Cingular Wireless
- Donation of 1,500 headsets
- Manning a 24-hour hotline at the request of the Federal Emergency Management Agency
- Donation of \$1 M to the American Red Cross

Birch Telecom

- Raising money for the American Red Cross, Mercy Corps, and the American Society for Prevention of Cruelty to Animals for the rescue dogs

Broadwing

- Increasing bandwidth for customers involved in the relief and recovery and information dissemination activities such as the American Red Cross, TV networks and popular Internet news sites
- Distribution of Cincinnati Bell Wireless phones to local rescue workers
- Offering of wireless phones and free payphone calling plans to travelers stranded in days following attacks
- Employees raising over \$50,000 for victims and families

- Organization of blood drives

Cable & Wireless

- Offering resources and network capacity to Verizon and other vendors for disaster recovery needs
- Offering of space, equipment and servers for the Mutual Aid Restoration Committee (MARC) and the New York Department of Information Technology and Telecommunications (DOITT) and customers in need
- Employee matching donations to the American Red Cross
- Organization of the Cable & Wireless Help USA Appeal drive to support those affected by the tragedy
- Participating in daily conference calls for the MARC and the DOITT, providing whatever assistance is needed

eei Solutions

- Providing temporary call center for companies whose call center systems were either damaged or overloaded

El Paso Global Networks

- Donation of \$1 M to launch the World Trade Center Port Authority Memorial Fund.

Enron Broadband Services

- Offering 10,000 square feet of leased space in New York City to companies displaced by the attacks
- Donation of \$1 M to recovery efforts
- Employee matching donation of more than \$433,000 to recovery efforts
- Delivery of care packages to NYFD
- Delivery of supplies to support Pentagon relief efforts

EPIK Communications

- Donation to the United Way September 11th Fund and to the American Red Cross

e.spire

- Offering spare switching and fiber capacity to Verizon and major long distance customers in NYC at a reduced rate

Excel Communications

- Worked to restore network facilities in New York

- Employee matching donations up to \$50,000 for the United Way September 11th Fund

Fibertech Networks, LLC

- Donation to the American Red Cross

Focal Communications

- Routed calls for businesses that lost phone service through its New Jersey switch
- Offering service to New York fire and police stations
- Restoring service to hospital customers a number one priority

Global Crossing

- Providing emergency audio and video conferencing bridges to hundreds of customers
- Installing over 4,000 additional audio ports for customers
- Providing free instant teleconferencing to businesses directly affected
- Installing new trading floors for dozens of firms throughout the financial community
- Focusing on critical services to hospitals, emergency services, government and financial industry
- Global Crossing and Asia Global Crossing Relief Program raising over \$500,000 for the NYFD, International Association of Firefighters, New York Police State Fraternal Order of Police Fund, and the Fallen Heroes Fund

Grande Communications

- Donation of \$5,000 to Central Texas families for travel or other expenses so that they may assist family members living in New York City or Washington, D.C.
- Pledge of \$1 donation per retail customer through the end of 2001 to September 11th Relief Fund by CEO Bill Morrow

Illuminet

- Assisted AT&T, PaeTec and Covista restore service to customers
- Donation of \$15,000 to the American Red Cross

iPass / Net2000

- Formation of "Project Phone Home" in conjunction with Net2000 to provide a special prepaid calling cards to assist local families and rescue workers
- Net2000 matching all contributions to Project Phone Home dollar-for-dollar

KMC Telecom

- Donation to September 11th Relief Fund

- Employee matching donations
- Participating in local blood bank, food and clothing drives

Level 3 Communications

- Establishment of special task force to meet the immediate and long-term communications needs of companies impacted by the attack, including identifying collocation space and network facilities
- Offering of large generators and other equipment to the City of New York
- Establishment of Level 3 Relief and Recovery Fund to match employee donations
- Establishment of special hotline to contact the Level 3 Emergency Communications Task Force to help customers and others address their emergency communications issues

LightSpeed Fiber Network

- Delivery of 144 strands of single mode fiber to Tower D of the World Financial Center for a service provider who in turn was able to provide restoration services to Merrill Lynch's network
- Installing fiber in three days that normally would have taken two to three months

Log On America

- Donated 30 cell phones and chargers to relief workers

NEON Communications

- Providing bandwidth services and facilities free of charge for government agencies
- Supporting relief efforts via Cisco
- Participating in daily conference calls with the New York DOITT and providing whatever assistance is needed

New South Communications

- Collection of donations from employees

Norlight Telecommunications (subsidiary of Journal Communications, Inc.)

- Donation of \$5,000 to United Way September 11th Fund
- Organization of community events that have contributed more than \$2.5 M to relief effort
- Employee contribution of \$2,810 to the Salvation Army's 911 Disaster Relief Fund

Onvoy

- Contribution of \$5,000 to the American Red Cross
- Employee matching donations to the American Red Cross

PaeTec Communications

- Coordination with Verizon for re-routing of customer traffic to alleviate heavy volume
- Re-routing of IXC traffic through alternate switches on the PaeTec network to alleviate heavy volume
- Provisioning T-1 circuits to customers immediately after attack, waiving install and non-recurring charges
- Providing equipment, service and facilities in cooperation with competitors to restore service to customers
- Increasing staffing for all PaeTec Customer Service and Network Operations Center shifts to facilitate emergency re-route and call completion capabilities for metropolitan area
- Raising over \$30,000 for the NYPD and NYFD relief fund

Progress Telecom

- Two for one employee matching donations within all subsidiaries to the American Red Cross

Qwest

- Diverting \$10 M shipment of local switching equipment to support Verizon's restoration efforts
- Providing network access for the Federal Emergency Management Agency from its New York office to its headquarters in Virginia
- Providing internet and network connectivity free-of-charge to customers' temporary offices
- Giving top priority to service requests from emergency service providers
- Donation of office furniture and equipment to impacted businesses
- Providing temporary office space to customers in New York and New Jersey offices
- Providing web services to the Tragedy Assistance Program for Survivors, which aids survivors of those killed while serving in the armed forces

Santera Systems

- Employee matching donations to the American Red Cross
- Establishment of scholarship fund for children of victims

Siemens Carrier Networks, LLC

- Donation of \$2 M to the American Red Cross
- Employee matching donations dollar-for-dollar

Sphera Optical Networks

- Working in conjunction with ConEdison to ensure power supply to the network and to customers
- Providing other carriers with network capabilities to ensure continued services

Tekelec

- Contribution of \$20,000 to the American Red Cross
- Contribution of \$5,500 from budgets of three charity committees to the American Red Cross

Telelobe Communications

- Employee matching donations for the American Red Cross, NYPD, NYFD, and Pentagon Relief Fund

Telseon

- Creation of Telseon Disaster Recovery Initiative, through which free bandwidth has been made available to any company that lost telecommunications links

Telia International Carrier

- Donation of \$10,000 to National Capital Region's "Survivor Fund"

Touch America

- Employee matching donations up to \$50,000 to disaster relief agencies

Transaction Network Services

- Creation of an employee contribution process through payroll deductions that will go towards relief funds for the rescue personnel and victims' families
- Employee matching contributions dollar-for-dollar

TyCom (Tyco International)

- Providing at least \$2 M in free products and services to the New York rescue effort including oxygen packs and ventilators, health care products, portable radios and batteries, and the use of ADT trucks to move food and supplies into lower Manhattan
- Donation of \$2 M in cash to the New York Police Department, to the Fire Widows and Children Benefit Fund and to the American Red Cross
- Additional donation of \$145,000 by TyCom employees

Universal Access

- Offering office space from company's facilities in Chicago, IL, Herndon, VA, and Santa Clara, CA

Velocita (Parent corporation of PF.Net Network Services Corp.)

- Providing four reels of fiber optic cable (30,000 feet per reel) to New York for network restoration.
- Sending 20 crews to assist in restoration efforts of the telecommunications network in New York
- Collection of \$1,300 to date from the employees for Firefighter, EMS and Rescue Relief Fund
- Employees donation of blood, money and time to Red Cross, Salvation Army and other organizations and funds across the country
- Contribution of proceeds from sales of special Velocita/American flag T-shirts and sweatshirts to the rescue relief fund

Verizon

- Activated emergency preparedness plan and established Emergency Operations Command Centers in New York City and Virginia
- Provided special equipment provided to emergency personnel
- Provided free pay phone calls in Manhattan through the emergency period
- Placed mobile cell towers near the World Trade Center so that anyone trapped in the rubble would have a strong signal for which to call for help
- Restored service and repaired networks to business and residential customers in NYC affected by the disaster, including the New York Stock Exchange, despite unprecedented water, dust and structural damage to switching equipment and the fact that miles of underground cables were buried under 300,000 tons of concrete steel and glass
- Donation of \$1.125 M from Verizon Foundation to local organizations
- Three-to-one matching employee donations
- Donation of \$1 M to the New York Police and Fire Widows and Orphans Fund
- Donation of \$100,000 to the American Red Cross in Somerset, PA.

Williams Communications

- Developed “Emergency Preparedness Document” which outlines Williams’ assets, fiber and Point of Presence square footage availability as well as inventory of switch gear and a contact list of technicians who are available to assist customers, business partners or competitors with their network needs
- Donation of \$1 M to the United Way
- Completion of the five bicycle and motorcycle relay-style races to raise \$24 M for the United Way

WorldCom

- Providing fiber capacity to Verizon
- Providing satellite call trailing for center for families of the victims located on pier in New York harbor
- Donation of office space, phones, local & long distance service to the American Red Cross
- Donation of local & long distance service and two-way pagers to relief workers and government agencies
- Donation of office space, data Internet, local and long distance services to affected businesses
- Provided satellite services for FEMA until landline facilities were available
- Participating in daily conference calls for the MARC and the DOITT, providing whatever assistance is needed

Yipes

- Providing free service for three months to businesses relocating to new office space which includes Internet access, office to office metropolitan area network access and point to point metropolitan area network access

In concluding I would like to reference two quotes from the CEOs of CompTel member companies:

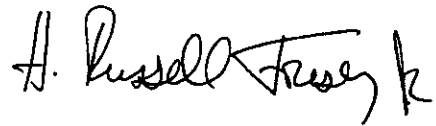
“By offering our systems and overflow capacity to the organizations affected by this terrible tragedy, we hope we can, in some small way, lend support to our fellow Americans, and do our part to help speed the recovery of our country’s financial and information systems.”
Kirk Cameron, President, eei Solutions.

“At times like this, we must remember the spirit of independence and generosity that made this country great... It is time for those of us who reap the benefits of a free-market economy in a free society

to unite against the villainy of some who don't." David G. Rusin,
President and CEO, American Fiber Systems.

This is only the beginning. In this time of need, the competitive telecommunications industry commits to continuing these efforts and to initiating many more as additional needs become clear. Most of our member companies owe their existence to the Telecommunications Act of 1996. That statute allowed for entrepreneurs to compete in the local telecommunications market for the first time. Their entrepreneurial brilliance built state-of-the-art networks that proved vital to our nation's ability to weather the attacks. Without such redundancies and innovative economies of scale, we may not have had as rapid a recovery and rescue effort as was accomplished. For that, we are grateful.

Sincerely,

A handwritten signature in black ink, reading "H. Russell Frisby, Jr." with a stylized flourish at the end.

H. Russell Frisby, Jr.
President

cc: The Honorable J. Dennis Hastert
The Honorable Thomas A. Daschle
The Honorable Richard A. Gephardt
The Honorable Trent Lott
The Honorable W. J. ("Billy") Tauzin
The Honorable John D. Dingell
The Honorable Ernest F. ("Fritz") Hollings
The Honorable John McCain
The Honorable Fred Upton
The Honorable Edward J. Markey
The Honorable Daniel K. Inouye
The Honorable Conrad Burns
The Honorable David Gross
The Honorable Nancy Victory
The Honorable Bruce P. Mehlman
The Honorable Michael K. Powell
Ms. Marsha MacBride
The Honorable Kathleen Q. Abernathy
The Honorable Michael J. Copps
The Honorable Kevin J. Martin
Ms. Dorothy Attwood